

VZCZCXYZ0000
RR RUEHWEB

DE RUEHLU #0038 0171125
ZNR UUUUU ZZH
R 171125Z JAN 07
FM AMEMBASSY LUANDA
TO RUEHC/SECSTATE WASHDC 3605
RUEAWJA/DEPT OF JUSTICE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUEHSE/US SECRET SERVICE WASHINGTON DC

UNCLAS LUANDA 000038

SIPDIS

SENSITIVE
SIPDIS

STATE FOR EB/IFA/OMA AND AF/S

E.O. 12958: N/A

TAGS: [EFIN](#) [ECON](#) [EAID](#) [AO](#)

SUBJECT: Angola: Ambassador Briefs IMF Official on IMF Agreement,
Elections

REF: A) 06 Paris 7835; B) LUANDA 1261

11. (SBU) Summary: Meeting with IMF Africa Department Senior Advisor Robert J. Corker on January 13, 2007 in Luanda, Ambassador Efird reviewed the likelihood of and the timetable for the GRA to conclude a Stand-by Agreement with the IMF, noting as well the serious steps taken by the GRA to liquidate 2.4 billion of its Paris Club debt in 2007. Corker was non-committal on the possibility of the IMF's placing a Resident Representative in Angola. Finally, the Ambassador provided an update on Angola's voter registration process -- scheduled to continue through 2007 -- with election at the earliest in 2008. End Summary.

IMF Stand-By Agreement Looking More Likely

12. (SBU) On January 13, 2007, following a USAID and National Bank of Angola (BNA) workshop on monetary policy (septel), Ambassador Efird met with International Monetary Fund (IMF) Africa Department Senior Advisor Robert J. Corker. The Ambassador told Corker that in December, she met with Manuel Junior, President Dos Santos' senior advisor on economic matters, who indicated that he was preparing a brief for Dos Santos in favor of a Stand-by Agreement (SBA) with the IMF. However, the Ambassador believed the GRA has probably not taken any further action since then because of the prolonged Christmas holidays. Corker recalled that the GRA had told the IMF in December that it would get back to the IMF at the end of January.

He added that he understood the Angolan Council of Ministers would need to meet and review the issue before the GRA could commit to an agreement. Corker noted that in order to make "a go" of the SBA, the IMF would need to hear by January because of the IMF's internal processes. Corker and the Ambassador also discussed the possibility of the IMF's appointing a resident representative (Resrep), as the government of Angola requested during the last IMF technical discussions here. The Ambassador stressed the importance of the IMF's having someone in Angola to maintain more direct and regular contact with GRA officials. Corker did not commit to the IMF's placing a resrep in Angola, saying only that the IMF has a small number of resident representatives, some of whom are accredited to more than one country. He added that if Angola commits to a SBA agreement a permanent representative would probably be assigned.

Angola and the Paris Club

13. (SBU) The Ambassador mentioned Angola's plans to pay more of its Paris Club debt in 2007 and Corker confirmed that Minister of Finance Pedro de Morias had sent the IMF a letter promising to pay a total of USD 2.4 billion to Paris Club creditors this year. Ambassador Efird added she had heard that if Angola signs an SBA, the Paris Club may forgive Angola its USD 1.8 billion in late interest (Reftel A).

Angola's Elections Timetable

14. (SBU) Corker asked about the timing of Angola's elections had been delayed. The Ambassador explained that Angola's voter registration process is on schedule and will continue until the end of the 2007. (Note: The formal registration period ends in June 2007, but follow-on verification processes, etc. will require additional months.) Only after the registration process is complete can the GRA set a date for elections, and that should be by August 2008 at the latest. The Ambassador also referred to some innovations the electoral commission introduced during the process, for example: constituting boards of prominent local citizens to identify registrants who do not have documents and permission for NGOs and embassies to observe the registration process, although the electoral law provided only for political party observers. The IMF representative noted that from the funds perspective it would be better not to have elections during the SBA program year. From this standpoint, elections only in 2008 was a positive development.

15. (SBU) Comment. All indications to date are that the IMF and the GRA both wish for Angola to move forward on an SBA, and the importance both attach to such an agreement. The IMF's need to have an agreement by the end of January in order to perform its preparatory work may be too short a deadline for the GRA, but as we have seen in other cases, namely approval for the Capetown Convention, when the GRA makes up its mind to do something it can move very quickly. The IMF continues to brief carefully the US Embassy in Luanda and to look for information and support for its efforts at achieving an agreement.

EFIRD